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FOREIGN SERVICE DESPATCH

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TO : THE DEPARTMENT OF STATE, WASHINGTON.

DATE June 16, 1955

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SUBJECT: Bi-weekly Review - June 1 through 15

POLITICAL

Arrival of Governor General (UNCLASSIFIED)

Sir James W. ROBERTSON arrived in Lagos and was formally sworn in as Governor General on June 15, 1955 (For a report of his inaugural address see D-182). Mrs. Robertson is still in the U.K. and is not scheduled to join her husband until September 1955. During the next month Sir James has announced that he will travel throughout the country, commencing his first trip to the Western Region in late June.

West Banishes Oyo Alafin (UNCLASSIFIED)

The Action Group Western Regional Government has decided that the Alafin (Principal chief) of Oyo should be banished from the province. Simultaneously it released the report of Mr. R.D. LLOYD who had served as Commissioner investigating the riots which occurred at Oyo in September 1954 (see D-39, Sept. 24, 1954). The Lloyd Report, based on an inquiry conducted from September 27 through December 2, 1954, recommended that the Alafin be allowed to return to Oyo from his voluntary exile at Ilesha. The 80-year old Alafin is now in Lagos where he will be maintained by the NCNC unless permitted to return to Oyo.

In an official party release the NCNC declared that it would fight for the restoration of the Alafin and that the Western Regional Government had no right to overthrow the recommendations of an official commission or to ignore the wishes of the Alafin's people.

COMMENT (OFFICIAL USE ONLY)

Although there have been no political disturbances in Oyo since the voluntary exile of the Alafin last September, his future status increased in political importance when news leaked that the Western Government had received the Lloyd Report in March and that the report was favorable to the Alafin and his NCNC supporters.

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REPORTER

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Despite the Western Government's full authority to remove the Alafin on the announced grounds that his continued presence endangered the maintenance of law and order, most observers feel that in so doing the AG made a serious political blunder. By withholding the Lloyd Report for nearly 4 months, the party gave the NCNC the opportunity to rekindle partisan feelings over the issue.

Developments in Benin-Delta Area (UNCLASSIFIED)

Chief Yamu NUMA, NCNC member of the Western House of Assembly, has resigned from the NCNC as the aftermath of a dispute with Federal Minister Chief F.S. OKOTIE-EBOH (see D-170, p.1, May 14, 1955). Until his fracas with the Minister, Chief Numa had been a member of the NCNC National Executive Committee and had served as advisor on the party's delegations to the London and Lagos constitutional conferences. After announcing his resignation in the Western House, Chief Numa declared his affiliation with the Benin-Delta People's party, headed by AKENZUA II, Oba of Benin. Within the next three days two other NCNC representatives from the area followed Numa in changing party affiliation. All "crossed the aisle" and seated themselves on the Government side of the Western House.

COMMENT (OFFICIAL USE ONLY)

It is doubtful that the above NCNC losses will significantly alter the predominantly anti-AG political complexion of the Benin Delta Region. With the West publicly espousing separate state status for the area in 1956 (see D-177, p.1, June 1, 1955), the AG would find it difficult to reverse its plans for a smaller Western Regional Yoruba State. The press has reported that the Oba of Benin has been offered the Western Regional Ministership recently vacated by Oba AKINSANYA (D-171, p.2, May 16, 1955). The Benin Oba has issued a press release to the effect that he will accept the position if officially tendered.

West Ejects Adelabu (UNCLASSIFIED)

Adegoke ADELABU, NCNC Minister of Natural Resources and Social Services, who had retained his Chairmanship of the Ibadan Town Council after appointment to Federal Office, was removed from his local office by the Western Regional Government on the grounds that he had received compensation for another position controlled by the Ibadan Town Council. In a lengthy answer to the Western Government, Adelabu indicated that he would contest his vacated seat in the by-election to be held in August.

COMMENT (OFFICIAL USE ONLY)

By removing Adelabu the AG scored a legalistic but definitely Pyrrhic victory. The Ibadan Town Council is still predominantly NCNC and the NCNC Chairman elected to replace Adelabu has stated

that he can do no better than to follow the example of his predecessor. Moreover, the Council has officially adjourned until the August by-elections have been completed.

Northern Political Meetings (UNCLASSIFIED)

During the first week of June, the Chiefs of the Northern Region met in Kaduna for a two-day conference which marked the first general meeting of hereditary rulers in the vast territory. The conference resolved that (a) there should be closer cooperation between chiefs on the executive council (i.e., Regional Ministers) and chiefs who held local office in the provinces or districts; (b) provocative speeches directed against Southerners who worked in the North should be stopped; (c) a greater delegation of powers to provincial and native authorities within the Region; and (d) Regional ministers should attempt to spend more time in touring their own districts and outlying sections of the Region which are pertinent to their portfolio.

COMMENT (OFFICIAL USE ONLY)

An expatriate source in the Federal Government has indicated that the Emirs' anti-Southern and anti-Regional attitude was mollified by the direct intervention of Northern Regional Governor Sir SHARWOOD-SMITH and Federal Minister of Transport Malam Abubakar Tafawa BALEWA.

A few days later most of the chiefs journeyed to Maiduguri where they joined representatives of the NPC for the party's annual meeting. Lagos newspapers have carried little concerning the conference, but Federal Government sources report that the Sardauna, despite having experienced considerable criticism, remained as titular head of the party. Anti-Southern sentiment was strong and will undoubtedly be reflected in any official release ultimately published.

Northern Region Appoints Committee for Northern Cameroons.

While the majority of political speculation has focused on the Southern Cameroons (D-171, p.1), the Northern Region has enacted a bill establishing a ministry for Northern Cameroons affairs and a legislative consultative committee for the area. Addressing the group, the Premier, the Sardauna of Sokoto, said that the Northern Regional Government was fully conscious of the trust territory's special status and that the Northern Executive Council would consider all recommendations of the committee. So far the committee had stressed the need for the improvement of communications especially roads, although attention was directed to the inadequacy of local water supplies.

COMMENT (OFFICIAL USE ONLY)

Although the Northern Cameroons are technically a part of UN territory, the area is an eastern extension of the Northern Region, holding far more economic and religious ties with the Muslim Northern Nigerians than with the pagan or semi-Christian upland residents in the Southern Cameroons.

Separate State Issue (UNCLASSIFIED)

The AG majority in the Western Regional House of Assembly reinforced its previous general endorsement of additional Nigerian states (D-177,p.1) by passing a motion in the current session of the Western House petitioning the Crown to make necessary constitutional arrangements at the 1956 constitutional convention for the establishment of a Benin-Delta State. NCNC opposition spokesman countered by reminding the House that the AG was attempting to steal the credit for what Premier Azikiwe had proposed in 1943.

COMMENT (UNCLASSIFIED)

Certain spokesmen in the area of the Ijaw, who people the territories to the West and East of the mouth of the Niger, have continued to advocate that any mid-western state include territory in the Eastern Region. Despite the present economic backwardness of the area's economy, such spokesmen have been encouraged by the oil indications recently uncovered by Shell D'arcy on both banks of the Niger (D-105,p.5; D-167,p.7).

Action Group Sets Up Northern Task Force (UNCLASSIFIED)

Following a Northern Regional Conference of the AG at Kaduna, the Western Regional Government has announced the establishment of a party mission which will tour the North. Funds for the mission's expenses are currently being raised throughout the Western Region. The Party's newspaper, the Nigerian Tribune, editorially explained that the Northern branch of the party lacked sufficient funds to support the political activity necessary if the AG is to prosper in the Northern Region.

COMMENT (UNCLASSIFIED)

Both Southern parties have been circumspect in their relationship with the North in official statements and actions. While the AG has devoted considerable funds and effort to contesting and influencing elections in the Eastern Region, this is the first indication of active AG participation in the politics of the Northern Region.

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LABOR

Gorsuch Report (UNCLASSIFIED)

During the latter part of 1954 the Government appointed a Fact Finding Commission into Wages (Civil Service), headed by Mr. L. H. GORSUCH as Sole Commissioner. Although the commission completed the inquiry in January, its report has not yet been published by the Federal Government.

Because of the heavy influence which government exerts over all Nigerian wages, the report has been anxiously awaited by labor, private employers and Government. About the first of June continuing rumors that the report had been received caused Acting Federal Minister of Labor and Welfare, Kola BALOGUN, to announce that the Gorsuch Report had not arrived in Lagos due to Mr. Gorsuch's illness in the U.K. Meanwhile, ANTUF proposed a 50% general wage increase pending publication of the report, while the AG urged that workers receive "immediate relief" in the form of an unspecified increase in wages. The AG recommendation stated that a wage boost could be easily financed from the recent UK Colonial Development and Welfare Grants and that it should be made retroactive to October 1, 1954 (the date the Region established its own 5 shilling minimum daily wage rate for Government employees).

COMMENT (OFFICIAL USE ONLY)

It is probable that the Federal Government has received the report but is unwilling to publish it before obtaining agreement that the Regional Governments will adhere to a common formula in granting wage relief to civil servants. The Government is torn between the inflationary effects of an increase in the general wage level and the difficulty in filling the many vacancies in the civil service at present salary levels. A recent Colonial Office announcement in London has indicated that there are 1160 vacancies, 250 of which are in the politically unpopular administrative service. Other vacancies are, by profession: Education - 221, engineering - 180, medical - 40, agriculture - 100, geological survey - 24, forestry-21.

ILO Conference (UNCLASSIFIED)

The press has given extensive coverage to the pronouncements of Chief F. SL OKOTIE-EBOH, Federal Minister of Labor and Welfare, at the ILO Conference in Geneva (D-177, p.4). In a speech to the Conference the Minister emphasized that experience in the training of Nigerian trade unionists had shown it unwise to send trade union officials for training in more advanced and highly industrialized countries. He felt that it was "wiser to take the tutor to the pupils than to attempt the opposite". He stated that Nigeria will continue to ...

depend upon collective bargaining methods and that the Federal Government would not resort to compulsary arbitration or the establishment of wage rates for non-Government employees.

COMMENT (OFFICIAL USE ONLY)

From what can be gleaned from local press and government releases, Okotie-Eboh has been the principal spokesman for the Nigerian delegation. No statement by the anti-ICFTU labor representative, Mr. Gogo Chu NZERIBE (D-171,p.5), has appeared in the local press.

EDUCATION

Ibadan Doctor Obtains Honorary American Degree (UNCLASSIFIED)

Southern Nigerian papers carried the announcement that Dr. Okechukwu IKEJIANI, Director of the Regional Clinic, Ibadan, was awarded an honorary doctorate at the graduation exercises of Lincoln University on June 9. Lincoln's President Dr. Horace M. BOND cited Dr. Ikejiani's contributions to Nigerian medicine and mentioned the achievements of two other Lincoln graduates, Eastern Premier Nnamdi Azikiwe and Prime Minister Kwame NKRUMAH of the Gold Coast.

ECONOMIC

First Quarter Trade Figures (UNCLASSIFIED)

A record value of imports and a drop in exports resulted in a Nigerian visible favorable trade balance of only £4.1 million for the first quarter of 1955, as compared to £13.7 million for the similar period in 1954. Compared to the previous year, imports rose from £28.8 million to £32.8 million, while the value of exports fell from £42.5 million to £37.0 million. A 50% decrease in the volume of cocoa shipped (45,326 V. 30,959 tons) was almost entirely responsible for the decrease in export value. Groundnut export volume remained at the 1954 level but prices were 25% lower. The value of palm oil exports rose slightly.

On the import side, Japan increased its share of the Nigerian market from £1.6 million for the 1954 period to £3.8 million and is now the principle supplier of most categories of cotton textiles and galvanized sheeting. Most countries increased the value of their exports to Nigeria, but decreases were noted in those from Western Germany, Italy and Norway.

Eastern Industrialization Scheme (UNCLASSIFIED)

A Policy Paper for Industrial Development, published by the Eastern Regional Ministry of Industries, has indicated that the Region plans a £2 million industrialization scheme. The Paper envisions the establishment of textile factories, a ceramic industry, paper mill, a canning factory and furniture and light metal establishments. The proposed industries are to be set up as early as possible with or without the aid of private capital.

The Paper states that during the last 12 months arrangements have been completed or are in the final stages of negotiation for the establishment of industries valued at approximately £6 million. Included are a cement factory at Enugu, the expansion of lead-zinc mining operations, several soap factories and breweries, a cigarette factory at Port Harcourt, and a tire retreading plant at Onitsha. Turning to overseas investment, the report noted that foreign interests were presently negotiating for the establishment of a variety of industries ranging from fertilizer and bone meal to an iron ore mining and smelting operation.

COMMENT (OFFICIAL USE ONLY)

The Report of the Azikiwe/Ojukwu overseas investment trip taken last year has not yet appeared despite periodic announcements of its imminent release. When Consul Williams visited Enugu during last April, Dr. Azikiwe was still engaged in writing the report. Pending publication of the report, the Eastern Government has soft-pedalled announcements of any new foreign-financed industrialization plans.

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Concern Over Columbite Future (UNCLASSIFIED)

The announcement that the United States has ceased purchasing columbite for stockpiling purposes has caused concern in Government and mining circles. The loss of revenue to Nigeria, which supplies 95% of the world's columbite production, will be severe. Joint meetings between the mine representatives and members of the Federal Government's Trade and Industries Department are currently being held in Lagos to study possible solutions to the problem.

Dunlop to Establish Rubber Estate in East (UNCLASSIFIED)

The British Dunlop Rubber Company has announced the completion of negotiations for the establishment of a rubber industry in the Oban Area of the Eastern Region. Commenting on the company's plans, the London Financial Times felt that the move was wise in that it decreased U.K. dependence on Malayan and other Far Eastern rubber production. The Times noted "clear indications " that the West African countries genuinely desired to encourage further British investments.

British Investment Survey (UNCLASSIFIED)

Sir Percival GRIFFITHS has published a report of his recent survey of investment possibilities in the Gold Coast and Nigeria for the Federation of British Industries (D-167,p.9). Sir Percival stressed that each of Nigeria's Regions presented a different investment climate both because of variations in available raw materials and divergent economic polities in the respective Regions. He was especially critical of the Western Region's attitude toward foreign investment, stating that it suffered from "an exaggerated idea of the magnitude of its resources" which led the West to believe it could set arbitrary conditions for the entry of foreign capital.

The report expressed concern at the trend of increased wages in Nigeria declaring that in relation to productivity West African labor is far more expensive than its counterpart in the Far East. Sir Percival noted the "serious risk that West African Governments in their genuine desire to promote the welfare of their people will price themselves out of world markets."

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MISCELLANEOUS OFFICE ACTIVITIES

Move to Interim Office Building (UNCLASSIFIED)

Those who have undergone the dangerous experience of visiting or working in the Consulate General's Elizabethan office will understand the present staff's enthusiasm in taking leave of the white ants and sagging joists at 4 Broad Street. The Consulate General and USIS will occupy the third and fourth floors of a five-story newly-constructed office building while the old buildings at 2-4 Broad Streed are demolished and new office quarters constructed. Both the Consulate General and USIS will have completed the moving operation before July 1.

Edward D. McLaughlin
American Consul General

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